



SALES DISCLOSURE FORM FREQUENTLY ASKED QUESTIONS UPDATED 7-1-08

Although detailed Instructions are provided with the Sales Disclosure Form, the following is a list of potential questions which may arise. If these FAQs do not address your question, please refer to the Instructions and the Memorandum provided by DLGF dated June 2, 2008, both of which are available on the DLGF website. If your question is not addressed by any of these documents, please contact DLGF.

1. Where do I file a sales disclosure form?

IC 6-1.1-5.5-3 requires a party to submit the sales disclosure form to the county assessor, who is responsible for reviewing the form for accuracy and completeness. If the form is accurate and substantially complete, the county assessor stamps the form as eligible and returns it to the appropriate party for filing with the county auditor. The county assessor shall process the forms as quickly as possible.

2. What is considered an accurate and complete sales disclosure form?

IC 6-1.1-5.5-3 specifies that a form is accurate and complete if the county assessor does not have substantial evidence the information is inaccurate, the form conforms with that prescribed by the DLGF, and the form is submitted to the county assessor in a format usable to the county assessor. If the form submitted is not entirely complete, the county assessor must notify the party in writing as to what items are incomplete. The parties have thirty (30) days from the date of the written notice to provide the information.

3. Can a county assessor establish specific requirements for filing a sales disclosure form?

In general, counties should not deviate from procedural guidance or directives on sales disclosure forms provided by the DLGF. IC 6-1.1-5.5-3 was amended in 2007 to include subsection (f), which precludes assessing officials from establishing procedures or requirements that differ substantially from that required by law. This document shall provide procedural guidance on filing sales disclosure forms and should be followed.

4. Are all the pages required when submitting a sales disclosure form?

No, only the three (3) pages with information regarding the sale are required to be submitted. The instructions and details of credits and exemptions need not be submitted.

5. How can the form be simplified or supplemented?

The form must contain the information required by statute. However, for simplification, for instance, the word “same” can be used for address for Seller 2 or Buyer 2 if the address is the same as Seller 1 and Buyer 1. Also, only a brief legal needs to be included. The legal description can also be attached with “see attached” written into the Legal Description box.

6. What color ink should be used on a sales disclosure form?

The form must be either typed or printed in black ink. However, the signatures on page 2 do not have to be in black ink.

7. Who can sign the form (for instance, can legal counsel)?

A bank or title company must have a notarized power of attorney form to be an authorized representative for the buyer or seller. An attorney representing either party is not required to have a power of attorney. Note that in cases where a corporation is the seller or buyer, a resolution or other legal document that designates authorized signatories for the business is an acceptable substitute for a power of attorney. Any person signing for the buyer or seller must be identified clearly and must provide contact information, including complete and legible name, address and telephone number. The signature of only one buyer and one seller is required.

8. Must someone retain the original signatures when we e-file in Marion County? If so, how long must they be retained?

A hard copy of the sales disclosure form with signatures must be provided to the county assessor. I.C. 6-1.1-5.5-3 requires the county assessor to retain the forms for five (5) years.

9. Why are there procedural and administrative issues and lack of uniformity of treatment of the form among the counties?

The new instructions and these FAQs are being promulgated to create as much uniformity as possible among the counties. This document shall provide procedural guidance on filing sales disclosure forms and should be followed to create uniformity throughout the state.

10. Is an affidavit a “conveyance document” under I.C. 6-1.1-5.5-2?

No. When filing an affidavit, a sales disclosure form is not required.

11. Is a sales disclosure form required with a land contract? If so, what is the Sales Price?

Yes, a sales disclosure is required with the recording of a land contract. The Sales Price is the original land contract amount. Furthermore, at the time a deed is recorded to complete the land contract, the Sales Price is the original land contract amount.

12. Who provides the information regarding the size of the parcel(s)?

Effective July 1, 2008, the county assessor provides this information from the assessment records to DLGF. The acreage should be calculated as closely as possible for irregular shaped parcels.

13. Should the tax billing address on Page 1 of the form be the current, pre-transaction mailing address for tax bills or should it be the tax billing address of the buyer after conveyance?

The tax billing address on Page 1 of the sales disclosure form should be the address where property tax bills should be mailed in the future, if different than the property address.

14. Are original signatures required?

No. Faxed copies are acceptable.

15. What is considered “usable to the county assessor”? Why is the position and size of the form so important?

Many counties are utilizing scanning solutions to create the sales date required by the state. Scanning solutions require documents to be quite precise for them to be effective. I.C. 6-1.1-5.5-3 specifies that the form submitted shall be in a format usable to the county assessor. Due to variations in technology and software programs, some inconsistencies among the counties will persist. However, the document is acceptable as long as the information is ascertainable and the document is suitable for scanning although it may not be in perfect physical condition. The rejection of forms should not be the normal procedure.

16. How long must the original forms be retained and what should be done with the yellow sheets?

I.C. 6-1.1-5.5-3 requires the county assessor to retain the forms for five years. The yellow sheet is for the buyer to keep.

17. If a form is deficient and rejected, must a new form be presented or can the information be added to the deficient form?

The county assessor should return the rejected form. The preparer can then add the required or corrected information to the form.

18. What does the DLGF say in response to auditors’ reports of being pressured by the DLGF regarding the sales disclosure forms?

Sales disclosure forms are very important to ensure fair and equitable assessments. The DLGF has worked to ensure that everyone understands the forms by providing more detailed Instructions and by creating these FAQs.

19. Can the form be eliminated?

I.C. 6-1.1-5.5-3 requires the filing of sales disclosure forms. Eliminating the form would require legislative action, and another method for obtaining market value in use data would likely take its place.

20. Some counties require 18 digit state key numbers for parcels. Some only want county parcel numbers. Which is correct?

What the county requires for the parcel number is a local decision due to the various interfacing methods used among the several counties' assessment systems. However, whenever possible, the state number should be used.

21. Some counties require an appraisal value even for exempt property. One county requires property owners to put zeros in the sales data entry blank if a sale has not occurred, while another county will not accept a form without a sales price indicated. When is a sales price required?

The sales price is required for every transaction in which money has changed hands, even if the transaction is exempt from the filing fee. If no money has changed hands, then the sales price should be entered as zero.

22. Some counties do not charge for exempt transactions, other counties do. Some counties charge per tract of real estate, so that if there are three tracts there are three charges. What are the DLGF's recommendations on filing fees?

The fee for filing a sales disclosure is \$10 per sales disclosure form, unless one of the conditions numbered 12-21 are met, then no fee is charged. If multiple parcels were part of the same sale, then only one sales disclosure form must be filed, listing all the parcels included in the sale and one filing fee is charged. However, some counties may charge a separate transfer fee of up to \$5.00 per parcel transferred based on local ordinance.

23. What if the parties do not have a phone number?

Since the statute requires a telephone number be provided on a sales disclosure form, there are two ways to approach this situation:

- (a) Ask the party to provide a cell phone number or the phone number of a relative or friend who can reach them. Remind them the phone number is confidential; or
- (b) If the party has no cell phone and no other phone number to provide, the party should explain the circumstances to the County Assessor who then should accept the form without a phone number. The County Assessor would then provide a brief explanation in the "special circumstances" data field when the assessor submits their sales disclosure form data file to the Department.

24. Are both the state and local parcel numbers required in Item 1?

No. The state number should be provided if available. If the state number is not available, then the local number should be provided.

25. What if one of the buyers will have the subject property as his/her permanent residence and another buyer does not?

As long as one of the buyers will utilize the property as his/her permanent residence, the homestead credit will be available. If there is no residence being vacated which receives the homestead credit, the buyers will mark "No" in Section F.

26. What if one or more of the parties do not an email address?

Email addresses are not required by statute to be provided by the parties. However, if the parties' preferred method of communication is email, they should provide it.

27. How can a county auditor be sure a transfer is for no consideration and therefore exempt?

The document may contain language such as "for no consideration" or "as a gift" or other similar language. However, if the document does not contain such language, the signature of the parties on the form, under penalties of perjury as required by law, is evidence that the document is not a "conveyance document" as identified in the statute. If you have reasonable evidence to believe the contrary, you can call the parties to verify the information or contact DLGF? the county prosecutor?

28. Can the form be presented on both sides of a page and have 2 pages submitted rather than 3 pages?

No. For scanning purposes, the form must be presented on single-sided pages.

29. When is the new Sales Disclosure form required to be used? When is the new fee in place?

The form is required for all conveyances effective July 1, 2008, or later. In the event that the conveyance is effective before this date, the old form may still be used. All sales disclosure filings are subject to the \$10 fee, regardless of when the conveyance is effective.

30. Can signatures be presented on different pages?

Yes. As long as all required signatures are obtained, they can be submitted in counterparts.

31. Must the Power of Attorney document be presented with the form if a Power of Attorney is signing the form?

A copy of the Power of Attorney document must be presented and must be in good, legible condition such that the county officials can rely on it.

32. Is the receipt for the SDF fee returned with the deed to the party/company/attorney who submitted the deed?

Yes.

33. How long after July 1st are we able to still accept the old form?

The amended statute requires that only the new form can be accepted for transfers made on or after July 1, 2008. The old form is still acceptable for transfers made before July 1, 2008 and submitted for recording after July 1, 2008. The date of the recordable document is the transfer date. For example, a deed is dated June 28, 2008 and submitted to the assessor on July 2, 2008, the old sales disclosure form is acceptable.

34. Buyer bought property on June 23, 2008. Buyer files for the Homestead Credit through the SDF. When will the deduction be credited on Buyer's tax bill?

HEA 1293-2008, Section 45 added IC 6-1.1-20.9-7, effective on January 1, 2008 (retroactive). "If a person files a statement in a calendar year [e.g., June 23, 2008] to claim a [homestead] credit ...with respect to real property, the credit applies for the property taxes due and payable in the immediately succeeding calendar year [e.g., pay-2009].

Thus, if the county auditor receives on June 23, 2008, a sales disclosure form that meets the statutory requirements; and the homestead for which the sales disclosure form is submitted is otherwise eligible for the credit, the county auditor must apply the homestead credit to the homestead for 2009 and in any later year in which the homestead remains eligible for the credit.

However, the sales disclosure form cannot be used for an application for the homestead credit or other applicable deductions for annually assessed mobile homes. The filing requirements for applying the homestead credit or other applicable deductions for annually assessed mobile homes do not change.

36. Can the new form be used to apply for other exemptions such as the mortgage exemption, Over 65 exemption, etc.?

No. The form can only be used to file the credits and exemptions specifically identified on the form. The filing requirements for other exemptions and credits do not change.

37. Who keeps the original SDF: the county auditor or the county assessor?

Because original signatures are not required, the county assessor must keep a copy of the SDF submitted and return the original submitted to the party for filing with the county auditor.

38. When the form is used to file for the homestead credit or exemptions, who does the county auditor return the receipt to?

The receipt should be returned with the deed.

39. Part 3 page 3 for the County Auditor contains at item 4 as follows: "Auditor's receipt book number: ____". Some county auditors use a computer program receipt approved by the State, but it does not have a receipt number on it. Is it ok to just mark that section "N/A" for not applicable, or do they need to start numbering receipts?

They can number the receipt as they choose, either using the sales disclosure unique identification number, or any other locally-decided method of tracking the fee.

40. If mortgages are not subject to the sales disclosure form, why does the form require information regarding seller paid points, interest rates, etc.?

The mortgage information in section C(8) – C(13) is ***only applicable*** when the seller is providing financing to the buyer.

41. I can't find the electronic application site.

The electronic site is currently not posted, due to an emergency fix that needed to be made to the form and program. It should, however, be posted within the next 24-48 hours. Please stay in touch with the Department's website for more information.

42. Can Sales Disclosure Forms filled out in longhand be accepted?

Yes, longhand submissions are acceptable. In the event that a form is submitted longhand, the county assessor's office will enter the data in the database.

43. What is the "Unique ID" number?

The Unique ID field is a function of the electronic software. When the form is submitted online, it is automatically given this number. If a form is submitted by somebody in longhand, there won't be a Unique ID on that particular form; when the assessor's office enters the form into the database, however, that number will be generated. THIS FORM CANNOT BE TURNED DOWN BECAUSE OF THE LACK OF THE UNIQUE ID.

44. How many parcels can be submitted on one form?

The general rule is one form per parcel, one fee per form. There is an exception, however, in event that all parcels are contiguous, and within the same taxing district. In this case, one form can be used, and only one fee is charged.